

SAUDI ARABIA



Saudi Arabia U. S. foreign assistance to Saudi Arabia seeks to bolster United States-Saudi security cooperation, to support Saudi Arabia's counter-terrorism efforts, and to promote regional stability through funding military training and enhancing border controls to combat weapons of mass destruction (WMD) proliferation and weapons smuggling.

FOREIGN RELATIONS: Saudi foreign policy objectives are to maintain its security and its paramount position on the Arabian Peninsula, defend general Arab and Islamic interests, promote solidarity among Islamic governments, and maintain cooperative relations with other oil-producing and major oil-consuming countries.

Saudi Arabia signed the UN Charter in 1945. The country plays a prominent and constructive role in the International Monetary Fund, the World Bank, and Arab and Islamic financial and development assistance institutions. One of the largest aid donors in the world, it still gives some aid to a number of Arab, African, and Asian countries. Jeddah is the headquarters of the Secretariat of the Organization of the Islamic Conference and its subsidiary organization, the Islamic Development Bank, founded in 1969.

Membership in the 11-member OPEC and in the technically and economically oriented Arab producer group--the Organization of Arab Petroleum Exporting Countries--facilitates coordination of Saudi oil policies with other oil-exporting governments. As the world's leading exporter of petroleum, Saudi Arabia has a special interest in preserving a stable and long-term market for its vast oil resources by allying itself with healthy Western economies which can protect the value of Saudi financial assets. It generally has acted to stabilize the world oil market and tried to moderate sharp price movements.

The Saudi Government frequently helps mediate regional crises and supports the Israeli-Palestinian peace negotiations. A charter member of the Arab League, Saudi Arabia supports the position that Israel must withdraw from the territories which it occupied in June 1967, as called for in United Nations Security Council Resolution 242. Saudi Arabia supports a peaceful resolution of the Arab-Israeli conflict but rejected the Camp David accords, claiming that they would be unable to achieve a comprehensive political solution that would ensure Palestinian rights and adequately address the status of Jerusalem. Although Saudi Arabia broke diplomatic relations with and suspended aid to Egypt in the wake of Camp David, the two countries renewed formal ties in 1987. In March 2002, then-Crown Prince Abdallah offered a Middle East peace plan, now known as the Arab Peace Initiative, at the annual summit of the Arab League in which Arab governments would offer "normal relations and the security of Israel in exchange for a full Israeli withdrawal from all occupied Arab lands, recognition of an independent Palestinian state with Jerusalem as its capital, and the return of Palestinian refugees." In March 2007 the Arab League reiterated its support for the Arab Peace Initiative by emphasizing that it could be the foundation for a broad Arab-Israeli peace. In November 2007, Saudi Foreign Minister Prince Saud al-Faisal attended the Annapolis Conference, along with more than 50 representatives of concerned countries and international organizations. The Conference was convened to express the broad support of the international community for the Israeli and Palestinian leaders' courageous efforts and was a

launching point for negotiations designed to lead to the establishment of a Palestinian state and the realization of Israeli-Palestinian peace.

Saudi Arabia supports the establishment of a unified, independent and sovereign Iraq. The Kingdom is a charter member of the International Compact with Iraq and participates in the Expanded Iraq Neighbors process. In January 2008, Foreign Minister Prince Saud al-Faisal reiterated Saudi Arabia's intention to open a diplomatic mission in Baghdad and appoint an ambassador.

In 1990-91, Saudi Arabia played an important role in the Gulf War, developing new allies and improving existing relationships between Saudi Arabia and some other countries, but also suffering diplomatic and financial costs. Relations between Saudi Arabia and Tunisia, Algeria, and Libya deteriorated. Each country had remained silent following Iraq's invasion of Kuwait but called for an end to violence once the deployment of coalition troops began. Relations between these countries and Saudi Arabia have returned to their pre-war status. Saudi Arabia's relations with those countries which expressed support for Saddam Hussein's invasion of Kuwait--Yemen, Jordan, and Sudan--were severely strained during and immediately after the war. For example, several hundred thousand Yemenis were expelled from Saudi Arabia after the Government of Yemen announced its position, thus exacerbating an existing border dispute. Saudi-Yemeni relations, especially in the wake of the 1994 Yemen civil war, remain fragile and of significant concern to the Saudi Government. The Palestine Liberation Organization's support for Iraq cost it financial aid as well as good relations with Saudi Arabia and other Gulf states. Recently, though, Saudi Arabia's relations with Jordan and the Palestinian Authority have improved, with the Saudi Government providing assistance for the Palestinian Authority.

During and after the Gulf War, the Government of Saudi Arabia provided water, food, shelter, and fuel for coalition forces in the region, and also made monetary payments to some coalition partners. Saudi Arabia's combined costs in payments, foregone revenues, and donated supplies were \$55 billion. More than \$15 billion went toward reimbursing the United States alone.

Since ascending to the throne, King Abdallah has followed a more activist foreign policy, offering Saudi assistance and support in efforts to resolve regional crises in Lebanon, Sudan, and Somalia; fostering Israeli-Palestinian peace efforts; and increasing Saudi diplomatic engagement around the world. In particular, he has pursued an Interfaith Dialogue Initiative to encourage religious tolerance on a global level, which was endorsed in a session of the UN General Assembly in November 2008.

U.S.-SAUDI ARABIAN RELATIONS: Saudi Arabia's unique role in the Arab and Islamic worlds, its possession of the world's largest reserves of oil, and its strategic location make its friendship important to the United States. Diplomatic relations were established in 1933; the U.S. embassy opened in Jeddah in 1944 and moved to Riyadh in 1984. The Jeddah embassy became a U.S. consulate general. The U.S. consulate general in Dhahran opened in 1944 in response to the growing oil-related U.S. presence in eastern Saudi Arabia.

The United States and Saudi Arabia share common concerns about regional security, oil exports and imports, and sustainable development. Close consultations between the U.S. and Saudi Arabia have developed on international, economic, and development issues such as the Middle East peace process and shared interests in the Gulf. The continued availability of reliable sources of oil, particularly from Saudi Arabia, remains important to the prosperity of the United States as well as to Europe and Japan. Saudi Arabia is one of the leading sources of imported oil for the United States, providing more than one

million barrels/day of oil to the U.S. market. The U.S. is Saudi Arabia's largest trading partner, and Saudi Arabia is the largest U.S. export market in the Middle East.

In addition to economic ties, a longstanding security relationship continues to be important in U.S.-Saudi relations. A U.S. military training mission established at Dhahran in 1953 provides training and support in the use of weapons and other security-related services to the Saudi armed forces. The United States has sold Saudi Arabia military aircraft (F-15s, AWACS, and UH-60 Blackhawks), air defense weaponry (Patriot and Hawk missiles), armored vehicles (M1A2 Abrams tanks and M-2 Bradley infantry fighting vehicles), and other equipment. The U.S. Army Corps of Engineers had a long-term role in military and civilian construction activities in the Kingdom. The U.S., as part of the Gulf Security Dialogue with individual Gulf Cooperation Council (GCC) members, has announced plans to sell advanced, primarily defensive, military equipment to GCC members, including Saudi Arabia, to support the efforts of these countries to increase their capacity for self-defense.

In August 2003, following the U.S.-led war in Iraq in March and April 2003, the United States withdrew its troops stationed in Saudi Arabia.

Saudi Arabia's relations with the United States were strained after the September 11, 2001, terrorist attacks in which 15 of the suicide bombers were Saudi citizens. In May 2003, a terrorist organization directly affiliated with al-Qaida launched a violent campaign of terror in Saudi Arabia. On May 12, suicide bombers killed 35 people, including nine Americans, in attacks at three housing compounds for Westerners in Riyadh. On November 8, 2003 terrorists attacked another compound housing foreign workers from mainly Arab countries. At least 18 people, including 5 children died in this attack, and more than 100 were injured. On May 1, 2004 terrorists killed two Americans in the Yanbu oil facility in the western part of the country. On May 29, 2004 terrorists killed one American and wounded several others in attacks on an official building and housing compound in al-Khobar in the Eastern Province. On June 6, terrorists shot and killed a BBC journalist. On June 9 and June 12, 2004 terrorists killed Americans Robert Jacobs and Kenneth Scroggs. On June 18, 2004 terrorists kidnapped and beheaded American Paul Johnson. On December 6, 2004 terrorists attacked the U.S. Consulate in Jeddah, killing five consulate employees. Terrorists also targeted and killed other foreign nationalities during this time.

Saudi security services have waged an active counterterrorism campaign that has largely neutralized this terrorist organization, though sporadic instances of terrorism still occur. In May 2006, terrorists attempted to attack the major ARAMCO oil-processing facility at Abqaiq. In February 2007, four French nationals were killed in western Saudi Arabia in a suspected terrorist attack.

Saudi Arabia is an important partner in the campaign against terrorism, providing military, diplomatic, and financial cooperation. Counterterrorism cooperation between Saudi Arabia and the United States increased significantly after the May 12, 2003 bombings in Riyadh and continues today. In February 2005, the Saudi government sponsored the first ever Counter-Terrorism International Conference in Riyadh.

Peace and Security: U.S. assistance will encourage Saudi Arabia's continued participation in U.S. military, education and training programs. This level of funding permits the Saudi government to purchase military training in the United States at considerably lower cost than is charged countries that are not eligible for military, education and training funds. Military training enhances interoperability with U.S. forces, promotes military professionalism and respect for human rights. It also builds Saudi defensive capacities, and reinforces the importance of a strong, cooperative political and military

relationship between American and Saudi military officers. Nonproliferation funding will assist the Saudi Government to develop an effective national export control system to combat WMD proliferation and interdiction of conventional weapons smuggling. The Department of State will provide training and equipment to relevant Saudi Government agencies. These efforts will help Saudi Arabia meet its United Nations Security Council Resolution 1540 obligations and increase the capacity of Saudi security services to interdict WMD related items, small arms, light weapons and other conventional weapons at their borders and ports, especially at the land borders with Yemen and Iraq.